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By: Thomas M. Galgano, Esq. Dated: April 25, 2001



PATENT
DOCKET NO.: 1182-36

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

APPLICANT : MASSOUD SABOURIAN
SERIAL NO. : 09/820,566
FILED : MARCH 29, 2001
FOR : A METHOD OF FINANCIAL INVESTMENT IN STOCKS AND
SHARES OR OTHER FINANCIAL ENTITIES

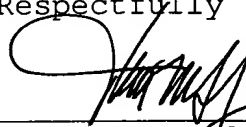
CLAIM OF PRIORITY

Hon. Commissioner of Patents
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Washington, D.C. 20231

Dear Sir:

Applicant herewith claims the benefit of priority of his earlier-filed application under the International Convention in accordance with 35 U.S.C. 119. Applicant also submits a certified copy of the U.K. patent application, having the Application No. 0007765.1, which bears the application date of March 30, 2000.

Respectfully submitted,



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Enclosure: Certified Copy of U.K. Application

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INVESTOR IN PEOPLE

The Patent Office
Concept House
Cardiff Road
Newport
South Wales
NP10 8QQ

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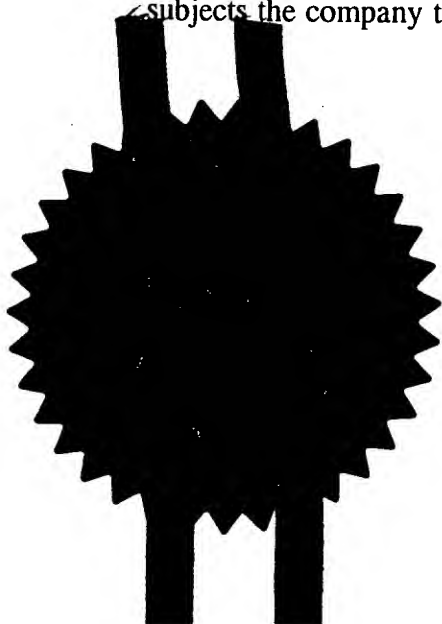
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The Patent Office

Cardiff Road
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1. Your reference **RPM/JP PA 2000 3654**
-
2. Patent application number **0007765.1** **30 MAR 2000**
(The Patent Office will fill in this part)
-
3. Full name, address and postcode of the or of each applicant (underline all surnames)
PHILEX PLC
Philex House
110-124 The Broadway
West Hendon
London NW9 7PP
Patents ADP number (if you know it)
If the applicant is a corporate body, give the country/state of its incorporation **United Kingdom** **07866064001** *TR*
-
4. Title of the invention
A method of financial investment in stocks and shares or other financial entities.
-
5. Name of your agent (if you have one)
"Address for service" in the United Kingdom to which all correspondence should be sent (including the postcode)
SOMMERVILLE & RUSHTON
45 Grosvenor Road
St Albans
Herts
AL1 3AW
Patents ADP number (if you know it) **1511001** ✓
-
6. If you are declaring priority from one or more earlier patent applications, give the country and the date of filing of the or of each of these earlier applications and (if you know it) the or each application number
- | Country | Priority application number (if you know it) | Date of filing (day / month / year) |
|---------|--|-------------------------------------|
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-
7. If this application is divided or otherwise derived from an earlier UK application, give the number and the filing date of the earlier application
- | Number of earlier application | Date of filing (day / month / year) |
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8. Is a statement of inventorship and of right to grant of a patent required in support of this request? (Answer 'Yes' if:
a) any applicant named in part 3 is not an inventor, or
b) there is an inventor who is not named as an applicant, or
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See note (d)) **Yes**

Patents Form 1/77

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Continuation sheets of this form	0
Description	7
Claim(s)	5
Abstract	1
Drawing(s)	2 + 2

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Priority documents

Translations of priority documents

Statement of inventorship and right to grant of a patent (*Patents Form 7/77*)

Request for preliminary examination and search (*Patents Form 9/77*)

Request for substantive examination (*Patents Form 10/77*)

Any other documents
(please specify)

11.

I/We request the grant of a patent on the basis of this application.

Signature

Date

Sommerville & Rushton.

30 March 2000

12. Name and daytime telephone number of person to contact in the United Kingdom

Richard P Maury
01727 854215

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**A METHOD OF FINANCIAL INVESTMENT IN STOCKS AND SHARES OR
OTHER FINANCIAL ENTITIES**

5 Field of invention

This invention relates to an internet-based system in which participants buy and sell stocks, shares and other financial entities.

Background to the invention

- 10 Internet-based commerce is rapidly gaining in popularity. On-line commercial advertising is now widespread, with many web site operators competing to find buyers of advertising space on their web pages. The price at which on-line advertising space can be sold to advertisers by the operator is dependent on the frequency with which people browsing the internet visit the web site, and
- 15 consequently there is great competition between web site operators to attract browsers of the internet to visit their sites. One way of achieving this is for the operator to offer the incentive of a chance of financial gain to those who visit the web site.

20 Object of the invention

The object of the invention is to provide a system which offers an incentive for browsers of the internet to visit the operator's web site and thereby view advertisements placed by advertisers. The incentive offered via the present invention comprises an opportunity for financial gain for those who visit the web site.

Statement of invention

According to the invention, there is provided a method of financial investment in stocks and shares or other financial entities, using a host web site, comprising (a) offering, through the host web site, a sum of money to any person willing to register
5 on the web site; (b) registering that person, on-line or off-line, as a participant; (c) allocating to the registered participant that sum of money; (d) permitting the registered participant, by taking action on the said web site, to issue instructions to invest that sum of money in a portfolio of said financial entities; (e) causing that investment to take place, and monitoring the value of the portfolio thereafter; (f)
10 comparing the said portfolio with a predetermined threshold value, and selling the portfolio if the value drops below that threshold; (g) permitting the registered participant to terminate the investment, and then selling the portfolio and giving the registered participant at least a predetermined proportion of the profit on the original sum of money.

15

The advantage of the present invention is that the participant is attracted to the operator's web site by the enticement of the chance of making money at no personal expense (apart from the cost of connecting to the internet) and with no risk of personal financial loss. The participant will view the advertisements placed on
20 the site by advertisers, both when registering and selecting the investment portfolio, and when returning to the site to monitor the portfolio's progress. Public exposure to the advertisements would therefore be expected to be great, and consequently the operator of the web site will be able to command a high level of advertising revenue.

25

Brief description of the drawings

Figure 1 illustrates the arrangement of a system embodying the invention, by which the host web site operator interacts with participants and advertisers; and

- 5 Figure 2 illustrates the procedure by which participants interact with the system of Figure 1 run by the operator.

Detailed description of the preferred embodiment of the invention

- 10 The arrangement of the system and procedure for its use, which constitute a presently preferred embodiment of the invention, will now be described with reference to figures 1 and 2.

The operator of the system, hereinafter referred to as the operator, provides a host
15 computer 10 comprising, but not limited to:

- a central processing unit;
- memory (both random access memory and read-only memory);
- a clock;
- data storage devices, e.g. hard disk drives, CD-ROM drives and magneto-
- 20 optical drives;
- an operating system incorporating data encryption software;

a network interface capable of enabling the computer to serve as a web server, providing a permanent connection to the internet and capable of both receiving and transmitting data.

- 5 The operator of the host computer 10 charges advertisers 16 for placing commercial advertisements on the web pages hosted by the operator. The advertisements may commonly incorporate links to the advertisers' own web pages.

The operator's web site may be visited simultaneously by a plurality of people
10 browsing the internet, each of which uses a computer 12 connected to the internet via a permanent network connection or using a modem 14. Upon connecting 22 (figure 2) to the operator's web site for the first time, each such person, hereinafter known as the participant, is offered a sum of money 24 with which to invest, via the operator's system, in stocks, shares and other financial entities. The participant can
15 choose 26 whether he wishes to accept or decline this offer. If he declines, the opportunity for investment is terminated 28.

If the participant accepts the offer, he is then required to register 30 with the operator. The registration, which may be carried out on-line or off-line, comprises
20 the participant providing personal details including his name, address and contact details, and may include responses to further marketing questions relating to his preferences as a consumer and user of the internet.

Upon registering, the participant is provided with a user identity and a password,
25 and is allocated 32 a sum of money by the operator, which the participant may

invest in a portfolio of stocks, shares or other financial entities selected 34 only by
using the operator's web site. The participant can access information about
potential investments by following links from the host web site to other sites 18
offering investment information. The operator may charge companies for the
5 provision of links to their information sites from the host site.

After the portfolio has been selected, the operator instructs stockbrokers 20 (figure
1) to invest the sum of money allocated to the participant in the selected portfolio.
More than one stock-broking firm may be involved in this operation. The instructions
10 to stockbrokers 20 are preferably issued via the internet, using secure connections.
The portfolio is then allowed to perform 36 and its value is monitored by the
operator independently of the participant.

If, at any time, the value of the portfolio drops 38 below a predetermined threshold
15 value, the operator instructs the stockbrokers 20 to sell 40 the portfolio, and the
participant's investment opportunity is terminated 42. The predetermined threshold
value is chosen by the operator and is made known to the participant from the
outset. It may typically be 80% of the original value of the portfolio, but could take
any value chosen by the operator, e.g. from 60% to 90%.

20

The participant is able to monitor the performance of his chosen portfolio at any
time by connecting again to the web site and supplying his user identity and
password. Provided the portfolio has not been sold by the operator on the grounds
of its value having fallen below the threshold, the participant is given the opportunity
25 to sell the portfolio. If he elects to do so, the operator instructs the stockbrokers 20

to carry out this procedure, a predetermined proportion of, or the total value of, the profits from the sale are given 48 to the participant, and the investment opportunity is terminated 50. If the participant does not wish to sell the portfolio, it is allowed to continue to perform.

5

During the course of his interaction with the operator's web site, the participant is made to view the advertisements placed by the advertisers 16, which are placed prominently on the screen display. The advertisements may be displayed at any stage, and preferably at all stages, during the procedure depicted in figure 2, for
10 example, during registration, during the selection of the portfolio, or during the stage in which the participant is given the opportunity to sell the portfolio.

The advertisements could be arranged so that the participant is made to wait for a sequence of advertisements to complete before being allowed to continue to the
15 next stage of the procedure.

The investment procedure is provided, via the operator's web site, by a computer program stored on the data storage devices of the host computer 10. In addition to governing the transmitting and receiving of data to and from each participant when
20 connected to the web site, the program also incorporates a multitasking database on which the participants' personal details and portfolio selections are stored, along with means for automatically monitoring the performance of the portfolios and taking appropriate action in accordance with the procedures described in the figures. The program is also made to record the number of occasions on which the host web site
25 is visited, and this information may then be used by the operator to convince

advertisers of the value of buying advertising on the web site. The construction of such a computer program will be known to those skilled in the art, for example, software engineers.

- 5 The financial payments, to the operator from the advertisers, and from the operator to the participants, are preferably effected electronically by credit card or charge card transactions, e.g. over the internet, using secure connections, as is well known in e-commerce.
- 10 An alternative embodiment of this invention allows the participant to modify the composition of the portfolio during the course of its life. Such a modification may incur a charge, the value of which would be deducted from the value of the portfolio.


Claims

1. A method of financial investment in stocks and shares or other financial entities, using a host web site on the internet, comprising:
 - 5 financial entities;
 - (a) offering, through the host web site, a sum of money to any person willing to register on the web site and participate;
 - (b) registering that person, on-line or off-line, as a participant;
 - (c) allocating to the registered participant that sum of money for investment;
 - 10 (d) permitting the registered participant, by taking action on the said web site to issue instructions to invest that sum of money in a portfolio of said financial entities.
 - (e) causing that investment to take place, and monitoring the value of the portfolio thereafter;
 - 15 (f) comparing the said value of the portfolio with a predetermined threshold value, and selling the portfolio if the value drops below that threshold;
 - (g) permitting the registered participant to terminate the investment, and then selling the portfolio and giving the registered participant at least a predetermined proportion of the profit on the original sum of money ,
 - 20
2. A method according to claim 1, including the step of placing commercial advertisements on the host web site which must be viewed by the registered participant.

3. A method according to claim 2, in which, in step (b), the person is registered on-line as a participant, and the advertisements must be viewed during that step.
- 5 4. A method according to claim 3, in which the advertisements must be viewed during step (d) of permitting the registered participant to issue instructions on investment.
- 10 5. A method according to claim 3 or claim 4, in which the advertisements must be viewed during step (g) of permitting the registered participant to terminate the investment.
- 15 6. A method according to claim 1 in which the step (e) of causing the investment to take place is conducted on the internet using one or more web site linked to the host web site.
- 20 7. A method according to claim 1 in which, in step (d), the registered participant views information about potential investments on the basis of information obtained from one or more web sites linked to the host web site.
8. A method according to claim 1, in which the said predetermined value is a predetermined percentage of the original sum of money.
- 25 9. A method according to claim 8, in which the said percentage is in the range 60 to 90.

10. A computer program for implementing a method of financial investment in stocks and shares or other financial entities, using a host web site on the internet, comprising:
- 5 (a) offering, through the host web site, a sum of money to any person willing to register on the web site and participate;
- (b) registering that person, on-line or off-line, as a participant;
- (c) allocating to the registered participant that sum of money for investment;
- (d) permitting the registered participant, by taking action on the said web site
- 10 to issue instructions to invest that sum of money in a portfolio of said financial entities;
- (e) causing that investment to take place, and monitoring the value of the portfolio thereafter;
- (f) comparing the said value of the portfolio with a predetermined threshold
- 15 value, and selling the portfolio if the value drops below that threshold;
- (g) permitting the registered participant to terminate the investment, and then selling the portfolio and giving the registered participant at least a predetermined proportion of the profit on the original sum of money.
- 20 11. A computer program stored on a data carrier, for implementing a method of financial investment in stocks and shares or other financial entities using a host web site on the internet, comprising:
- (a) offering, through the host web site, a sum of money to any person willing to register on the web site and participate;
- 25 (b) registering that person, on-line or off-line, as a participant;

- (c) allocating to the registered participant that sum of money for investment;
 - (d) permitting the registered participant, by taking action on the said web site to issue instructions to invest that sum of money in a portfolio of said financial entities;
 - 5 (e) causing that investment to take place, and monitoring the value of the portfolio thereafter;
 - (f) comparing the said value of the portfolio with a predetermined threshold value, and selling the portfolio if the value drops below that threshold;
 - (g) permitting the registered participant to terminate the investment, and
 - 10 then selling the portfolio and giving the registered participant at least a predetermined proportion of the profit on the original sum of money.
12. A computer system for connection to the internet, programmed so as to implement a method of financial investment in stocks and shares, or other
- 15 financial entities, using a host web site on the internet, comprising:
- (a) offering, through the host web site, a sum of money to any person willing to register on the web site and participate;
 - (b) registering that person, on-line or off-line, as a participant;
 - (c) allocating to the registered participant that sum of money for investment;
 - 20 (d) permitting the registered participant, by taking action on the said web site to issue instructions to invest that sum of money in a portfolio of said financial entities;
 - (e) causing that investment to take place, and monitoring the value of the portfolio thereafter;

- 
- (e) causing that investment to take place, and monitoring the value of the portfolio thereafter;
- (f) comparing the said value of the portfolio with a predetermined threshold value, and selling the portfolio if the value drops below that threshold;
- 5 (g) permitting the registered participant to terminate the investment, and then selling the portfolio and giving the registered participant at least a predetermined proportion of the profit on the original sum of money.

ABSTRACT

- A method of financial investment in stocks and shares or other financial entities,
- 5 using a host web site on the internet, comprising:
- (a) offering, through the host web site, a sum of money to any person willing to register on the web site and participate;
 - (b) registering that person, on-line or off-line, as a participant;
 - (c) allocating to the registered participant that sum of money for investment;
 - 10 (d) permitting the registered participant, by taking action on the said web site, to issue instructions to invest that sum of money in a portfolio of said financial entities;
 - (e) causing that investment to take place, and monitoring the value of the portfolio thereafter;
 - (f) comparing the said value of the portfolio with a predetermined threshold value,
 - 15 and selling the portfolio if the value drops below that threshold;
 - (g) permitting the registered participant to terminate the investment, and then selling the portfolio and giving the registered participant at least a predetermined proportion of the profit on the original sum of money.

Figure 1

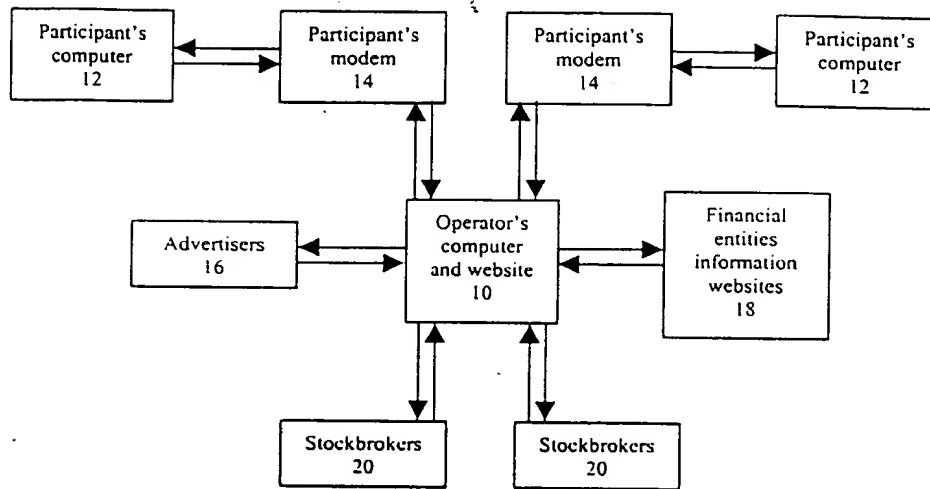


Figure 2

